

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 717 - SB 1563**

March 10, 2021

**SUMMARY OF BILL:** Requires nonresident auctioneers or affiliate auctioneers obtaining a license in this state to pass the state examination administered by the Tennessee Auctioneer Commission (TAC).

**ESTIMATED FISCAL IMPACT:**

**NOT SIGNIFICANT**

Assumptions:

- Pursuant to Tenn. Code Ann. § 62-19-117(b)(2), a nonresident auctioneer or affiliate auctioneer obtaining reciprocal licensure in this state is required to provide an application, license fees, and a certified copy of the license issued by the other state.
- The proposed legislation requires nonresident applicants to also pass a state examination administered by the TAC to obtain licensure.
- Examinations administered by the TAC are provided by a third-party vendor. Examination fees are remitted entirely to the vendor, not the TAC.
- Requiring an examination for nonresident auctioneers or affiliate auctioneers will not impact licensure revenue to the TAC.
- Any rulemaking necessary to adhere to the provisions of the proposed legislation can be accomplished by the TAC within existing resources.
- Pursuant to Tenn. Code Ann. § 4-29-121, all regulatory boards are required to be self-sufficient over any two-year period. The TAC experienced a surplus of \$11,415 in FY18-19, a deficit of \$7,513 in FY19-20, and had a cumulative reserve balance of \$464,757 on June 30, 2020.

**IMPACT TO COMMERCE:**

**NOT SIGNIFICANT**

Assumption:

- Nonresident auctioneers or affiliate auctioneers applying for reciprocal licensure in Tennessee will be required to pay an additional examination fee to obtain licensure; however, the increase in business expenditures will be offset by an increase in business revenue to the third-party vendor administering the examinations. Therefore, the net impact to jobs or commerce in Tennessee is not significant.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Bojan Savic". The signature is written in a cursive, flowing style.

Bojan Savic, Interim Executive Director

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